

AFRICAN CANADIAN CONTINUING EDUCATION SOCIETY

Financial Statements
For the Years Ended December 31, 2007 and 2006
And Auditor's Report

AUDITOR'S REPORT

To the Members of
African Canadian Continuing Education Society

We have audited the statement of financial position of African Canadian Continuing Education Society as at December 31, 2007 and the statements of operations and changes in operating surplus and of cash flows for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial presentation.

In common with many charitable organizations, the Society derives revenues from sources which are not susceptible to complete audit verification. Accordingly, our verification of revenue was limited to the amounts recorded in the accounts of the Society and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses and operating surplus.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenues referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The comparative figures were obtained from financial statements reported on without qualification by other auditors.




Chartered Accountants
Vancouver, B.C.
February 20, 2008

AFRICAN CANADIAN CONTINUING EDUCATION SOCIETY

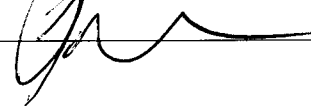
Statement of Financial Position
December 31, 2007

	2007		2006
ASSETS			
Current			
Cash	\$ 67,233	\$	87,412
Accounts receivable	25,762		4,352
	92,995		91,764
Equipment (Note 3)	3,157		1,345
	\$ 96,152	\$	93,109
LIABILITIES			
Current			
Accounts payable and accrued liabilities	\$ 4,730	\$	3,915
NET ASSETS			
Operating Surplus	91,422		89,194
	\$ 96,152	\$	93,109

APPROVED BY THE BOARD



Director



Director

AFRICAN CANADIAN CONTINUING EDUCATION SOCIETY

Statement of Operations and Changes in Operating Surplus
Year Ended December 31, 2007

	2007	2006
REVENUE		
CIDA – Intern	\$ 14,170	\$ 28,000
CIDA – Kenya	226,887	72,360
Donations and fundraising	362,674	313,874
Grants	30,709	23,086
	634,440	437,320
EXPENSES		
Operating Expenses (Schedule 1)	632,212	406,159
EXCESS OF REVENUE OVER EXPENSES	2,228	31,161
OPERATING SURPLUS, Beginning of Year	89,194	58,033
OPERATING SURPLUS, End of Year	\$ 91,422	\$ 89,194

AFRICAN CANADIAN CONTINUING EDUCATION SOCIETY

Statement of Cash Flows
Year Ended December 31, 2007

	2007		2006
Cash Flows From (Used In) Operating Activities			
Excess of revenue over expenses	\$ 2,228	\$	31,161
Non-cash item:			
Amortization	493		169
	2,720		31,330
Change in non-cash working capital:			
Accounts receivable	(21,410)		(3,784)
Accounts payable	815		(3,113)
	(17,875)		24,433
Cash Flows Used In Investing Activities			
Purchase of equipment	(2,305)		(1,336)
(DECREASE) INCREASE IN CASH	(20,180)		23,097
CASH, Beginning of Year	87,412		64,315
CASH, End of Year	\$ 67,233	\$	87,412

AFRICAN CANADIAN CONTINUING EDUCATION SOCIETY

Notes to Financial Statements
December 31, 2007

1. OPERATIONS

The Society was incorporated on October 5, 1993 under the Canadian Corporations Act and has been in operation since that date. The Society's primary activity is to provide funding for the continuing education of children and youth in the Kakamega District of Kenya. The Society is a registered charity under the Income Tax Act and, as such, is exempt from income taxes.

The Society receives a significant portion of its revenue from the Government of Canada and may not be able to maintain its current level of operations should this funding be significantly reduced or ended.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for non-profit organizations, which include the following significant policies:

Cash and Cash Equivalents

Cash and cash equivalent consists of cash on deposit and highly liquid short-term interest bearing securities with maturity at the date of purchase of twelve months or less.

Revenue Recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Donation revenue and fundraising revenue are recognized when the funds are received.

Capital Assets

Equipment is recorded at cost less accumulated amortization, and is amortized using the declining balance method at the annual rate of 20%.

AFRICAN CANADIAN CONTINUING EDUCATION SOCIETY

Notes to Financial Statements
December 31, 2007

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affects the amounts reported in the financial statements and accompanying disclosures. Although these estimates are based on management's best knowledge of current events and actions the Society may undertake in the future, actual results may ultimately differ from the estimates.

3. EQUIPMENT

	2007	2006
Equipment	3,920	1,615
Accumulated depreciation	(763)	(270)
	\$ 3,157	\$ 1,345

Schedule 1

AFRICAN CANADIAN CONTINUING EDUCATION SOCIETY

Operating Expenses
Years Ended December 31,

	2007	2006
Africa (Kenya)		
Funds to Kenya	\$ 470,000	\$ 288,500
Project Kenya		
Administration	447	364
Monitoring and evaluating	8,445	10,132
Wages	38,551	28,353
	46,996	38,849
Project ACCES		
Administration	19,258	10,299
Amortization	493	169
Audit fees	4,405	3,611
Fundraising	14,412	10,529
Public engagement	19,607	8,479
Wages	38,551	28,353
	96,726	61,440
Project Intern		
Administration, allowance and travel	18,045	17,370
	\$ 632,214	406,159
GRAND TOTAL		